

**STATE OF NORTH CAROLINA
COUNTY OF AVERY**

The Avery County Board of Commissioners met in a Special Meeting on January 26, 2009 at 3:30 p.m. in the Commissioners Boardroom, Avery County Administrative Complex, Newland, NC. The purpose of the Special Meeting was to discuss the upcoming referendum on the Real Property Transfer Tax and related issues.

Members Present: Kenny Poteat, Chairman; Phyllis Forbes, Vice-Chair; Martha Hicks; Glenn Johnson

Members Absent: Scott Heath

Call To Order:

Chairman Poteat called the meeting to order at 3:35 p.m.

Chairman Poteat stated that this Special Meeting was made known to the public. He read aloud the notice for this meeting which stated: “The Avery County Board of Commissioners will hold a Special Meeting on Monday, January 26, 2009 at 3:30 p.m. in the Commissioners Boardroom, Avery County Administrative Complex, Newland, NC. The purpose of this meeting is to discuss the upcoming referendum on the Real Property Transfer Tax and related issues.”

Chairman Poteat led prayer.

Chairman Poteat stated that there is a sign up sheet available and if anyone would like to speak pro or con on the upcoming referendum of the Real Property Transfer Tax they should sign up on the available sign up sheet at the front of the room. Chairman Poteat advised that the elected officials would be allowed to speak to this issue. Chairman Poteat again stated that anyone pro or con that wanted to speak to this issue should sign up.

Chairman Poteat reiterated, for people who had just came into the meeting, that a sign up sheet was available at the front of the room and anyone who wanted to speak on the Real Property Transfer Tax issue pro or con should sign up on this sheet.

Chairman Poteat stated that Scott Heath was in Raleigh testing for further licensing with his occupation.

Real Property Transfer Tax

The County Manager stated that it is obvious that from sources which are not indigenous to Avery County there is a lot of misinformation that is being spread through the media, phone calls and that the incorrect, misleading information is not being generated by our local realtors. He said that there is misrepresentation of the facts. The County Manager stated that the Commissioners have documents showing some of the misinformation. For example, the County Manager read “now is not the time for a tax on home ownership”. The County Manager stated that this is not a tax on your home; if you don’t sell real property, there is no tax. The County Manager explained that Avery County has the 7th from the bottom tax rate in the state of North Carolina and that includes the fire tax.

The County Manager advised that the right to vote on this issue possibly could be revoked. The County Manager read some other misinformation regarding the Real Property Transfer Tax. He stated that this real property tax can be rescinded, reduced, but could never exceed four tenths of 1%.

Chairman Poteat stated that some people had walked into the meeting and if anyone would like to speak to the Real Property Transfer Tax issue pro or con that they must sign up on the sign up sheet at the front of the room.

Chairman Poteat read aloud an excerpt from a letter he had written. These are direct quotes from David McGowan: “even though we (NCAR) are putting out materials”; there are other ways to increase revenues....increasing ad valorem taxes (property), etc. Chairman Poteat stated that he did not like for the people of Avery County to be misled and not told the truth.

Phyllis Forbes stated that she had looked at the ads in the papers and that one of the papers called Freedom Works had a question “why do the County Commissioners believe we need a 200% tax increase”. Ms. Forbes said this was totally erroneous and misleading. Ms. Forbes stated that she resented people that are not familiar with Avery County trying to mislead the citizens of Avery County.

Martha Hicks discussed some of the misleading issues that were posted on the North Carolina Realtors website against the Real Property Transfer Tax. She stated that she was proud of the Commissioners that they cared enough for the school system to allow this tax to go above what is already given to the school for the capital needs. She also stated that this can help prepare our children for the future and who would want to deny our children a better education.

Chairman Poteat said that Dan South and Susan Pittman both unanimously were in full support of this Real Property Transfer Tax and including the school board there were 12 elected officials in favor of this.

Glenn Johnson read a statement he had written: “I support the transfer tax and have since first learning about what it is and what it is not some 2 ½ year ago. I am very concerned about all the misinformation that is floating around. In particular, a document I have seen from the John Locke Foundation criticizing Avery County for having \$10 million

in “savings”. Avery County is being criticized for doing the very thing that individuals, families and our governments should be doing and that is living within our means. What is not mentioned in this document is that this “reserve fund” not savings is already committed for a new school and a new jail. This article states “given the amount of taxpayer's money involved, sympathetic appeals for school funding should not come at the expense of sound fiscal policy”. \$10 million in reserve sounds pretty sound to me. This will be money Avery County doesn't have to borrow for upcoming projects and pay thousands of dollars in interest. If the transfer tax passes, I do want to see the school board utilize this money wisely and I have all confidence that this will be the case.”

John Greene, Chairman of the Avery County Board of Education, thanked the Board of Commissioners for the opportunity to let the citizens of Avery County vote on this issue and for allocating 100% of the funds to the capital needs of the schools. Mr. Greene recognized the other school board members Kathy Aldridge, Marty Dellinger, Jamie Johnson, Phil Shomaker and the superintendent, Dr. Keith Eades.

Chairman Poteat said that there were 92 of 100 counties represented at the Legislative Goals Conference and the entire state is very adamant in that we continue to give each and every county in North Carolina the right that other counties have had. He stated that one of the goals for the legislation (“which I voted against”) was that it could be done by resolution of a Board of Commissioners or a voter referendum which he felt strongly that it should be in the hands of the people to decide. Chairman Poteat stated he strongly believed in the people's right to vote.

Phillip Shomaker, Board of Education member, advised that we only have a few rights and these are being chiseled away a little at a time. He said it bothered him when someone for money wants to do away with our right to vote. Mr. Shomaker stated we need to take pride in our children and this is the first time in 35 years that he could vote for something for the children of Avery County.

Kathy Aldridge, Board of Education member, stated that she appreciated a Board of Commissioners that looks at the children as if they were each one of their own. She stated there are things in the economy that are very hard but for the children to be a priority when there is such a hardship in the economy speaks well for Avery County. She said she was 100% endorsing the Land Transfer Fee.

Dr. Keith Eades, Superintendent, stated that on behalf of the Avery County Schools he appreciated the right to vote on the referendum and that the Board of Education endorsed and appreciated the support of the Avery County Board of Commissioners. He advised it was his contention that every student deserves a first class education and first class facilities and technology. He said that each child in Avery County deserved the same education and opportunities that other children all over the United States enjoys. Chairman Poteat stated there were 2 full pages of unmet needs well over \$2,000,000 that Avery County probably cannot do without passing the Land Transfer Tax.

John Greene thanked the Board of Commissioners for the opportunity to vote on this referendum and the hard work to get out the true facts on the Land Transfer Tax. He also stated the Board of Education wanted to make Avery County Schools a role model for other schools and with the money to upgrade our schools and technology this could very well happen. Chairman Poteat stated he appreciated the 100% attendance of the Board of Education.

Chairman Poteat stated, in case someone had just entered the room, that anyone that wanted to speak to this issue pro or con must sign the sign up sheet.

Rachel Deal, Avery County Citizen, advised she was one of the senior citizens in Avery County and she was 79 years old and that it disturbed her terribly the way the Land Transfer Tax had been presented to the elderly people, calling them at 8 or 9 o'clock at night telling them how to vote. She also stated that she appreciated the Commissioners, County Manager and the Board of Education for going out to represent what the truth was about the Land Transfer Tax. Ms. Deal advised that it upsets her that people are being paid a lot of money in Greensboro to represent citizens of Avery County.

Jerry Moody, President of Avery County Little League and President of Avery County Fair, advised that he had presented the facts about the Land Transfer Tax to both of these boards and the members were very much for the Land Transfer Tax. He said that he didn't feel \$400 on \$100,000 would break a deal for anyone.

Randy Hogsette, President of the Avery County Tree Grower's Association, stated that he was representing the Avery County Tree Growers and that this board was for the Land Transfer Tax and did not feel it would pose any hardship on the Christmas Tree growers. Chairman Poteat stated that the tree growers were very important in the total economy of Avery County.

Edwina Sluder commended the Board of Commissioners and the previous Board of Commissioners for the opportunity to help with the needs of the schools. She thanked the Commissioners for giving the voters the opportunity to make this possible.

Boyd McCloud, Avery County citizen, stated that he was for the Land Transfer Tax and that if this is defeated it would be because of the lies and misleading information which reminded him of the previous occupancy tax issue. He said he hoped that the word could get out about the true facts of the Land Transfer Tax.

Phyllis Forbes stated that everyone should talk to their friends and neighbors and try to dispel some of the incorrect things that are going around in the County.

Chairman Poteat stated that we vote on February 3, 2009 and also that one stop voting was currently in place. He said he would not sit here and say vote for or vote against but to please vote. He stated that this would be a very close contest and one vote would make a difference.

Motion by Phyllis Forbes and second by Glenn Johnson to adjourn this meeting at 4:25 p.m. Motion unanimously approved.

Kenny Poteat, Chairman
Avery County Board of Commissioners

ATTEST: _____
Cindy Turbyfill
Clerk to the Board